

SENIOR DEMOCRATS CALL FOR AUTOMATIC DRUG SUBSIDY ENROLLMENT

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WASHINGTON, DC -- Today, key House Members on healthcare issues, John D. Dingell (MI), Charles B. Rangel (NY), Henry Waxman (CA), Sherrod Brown (OH), and Pete Stark (CA), introduced legislation to automatically enroll low-income Medicare beneficiaries for the \$600 subsidy offered under the new Medicare Prescription Drug Card program.

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Prescription Drug Low Income Assistance Act would require the Secretary of Health and Human Services to notify all qualifying low-income Medicare beneficiaries of their eligibility for the \$600 subsidy. If the beneficiary does not enroll in a discount card within 30 days of being notified, the Secretary would automatically enroll them. Many people who are eligible for these types of assistance programs often do not participate due to lack of awareness or barriers in the enrollment process. This legislation would address those problems and ensure that targeted populations receive the assistance as intended under the law. Beneficiaries who do not want to participate would be able to opt out.

"Evidence is mounting that these cards offer more confusion than help," said Rep. Stark, Ranking Member on the Ways and Means Health Subcommittee. "Although a \$600 credit falls short of what's needed, it will help millions of low-income elderly and disabled individuals. The time has come for proponents of the Medicare law to put their money in the hands of people who are truly in need."

"CMS could automatically enroll low-income seniors who are currently in the Medicare Savings Program into the discount card subsidy," said Dingell,

Ranking Member on the House Committee on Energy and Commerce. "It is doing so for seniors in State Drug Assistance Programs and has the information to enroll these other low-income seniors, but has left them out."

"The supporters of the new law pretend it is the best thing that ever happened to low-income seniors," said Rangel, Ranking Member on the Committee on Ways and Means. "But just because you're poor doesn't mean you can't see a raw deal. Without these changes, millions of seniors will not receive the extra help they are supposed to get. If the Republicans seriously want to help the poor, they'll support our changes."

Regardless of the debate over whether the cards provide substantial savings to all Medicare beneficiaries, the \$600 will provide relief for many low-income seniors. The lawmakers believe the Centers for Medicare and Medicaid Services (CMS) has the authority to implement this important beneficiary protection administratively, but have not yet exercised its authority. With time running short for the eligible beneficiaries to take advantage of the subsidy, the lawmakers decided to take legislative action.

"I find it ironic that Republicans, famous for demonizing "big government," would produce such a bureaucratic nightmare," said Brown, Ranking Member of the Energy and Commerce Health Subcommittee. "Our bill tries to make the best out of a bad situation by ensuring that the low-income assistance actually reaches those in need."

"For all the shortcomings of the discount card, it's clear that giving \$600 to a low-income senior or disabled person to help with their drug costs is a good thing. So we ought to be sure they get it. Automatic enrollment just makes sense," said Waxman, Ranking Member on the Committee on Government Reform.

This bill goes one step further than the companion legislation introduced in the Senate earlier this month by Senators Jeff Bingaman (NM) and Blanche Lincoln (AR). It would apply a similar automatic enrollment process for eligible seniors for the actual drug benefit that begins in 2006.